

functions and automate the financial aid process) did not agree with the tuition and fees(s) amounts approved by the RCC Board of Trustees, as provided in the RCC Fall 2010 and Spring 2011 Tuition State of Massachusetts Resident Budget information form. Our audit tests disclosed two instances where the COA for students was overestimated by \$468 (\$54 and \$414) and 20 instances where the COA for students was underestimated by \$2,378 (ranging from \$10 to \$457).

The COA is the cornerstone of establishing a student's financial need, as it provides a limit on the total financial aid that a student may receive. The student tuition and fee amounts are approved by the RCC Board of Trustees each semester and should be part of the "tuition and fee" amount within the "institutional budget items" section of the PowerFAIDS to assist RCC in computing the COA for each student.

In its response, RCC stated that the PowerFAIDS program is now being integrated with the Jenzabar system to ensure that only Board-approved tuition and fees are used in calculating students' COA.

5. TITLE IV FINANCIAL AID INAPPROPRIATELY AWARDED TO STUDENTS FOR INELIGIBLE COURSES AND ADVISING TREE ISSUES 12

Our audit sample of 25 RCC students disclosed that three students had received Title IV financial aid totaling \$4,166 for ineligible courses, disbursed over a two-year period (fall 2008 through the end of fall 2010 semesters) and Advising Trees could not be produced by the Advising Department for two students, as indicated below.

a. Title IV Financial Aid Awarded for Remedial Credits Taken beyond the Allowable Limit of 30 Credits 12

One student in our sample enrolled in the Associate of Arts Degree Program in the fall of 2007 with a concentration in Health Careers. This student received Pell Grants totaling \$2,122 for 14 developmental courses that were not eligible for federal financial aid, as the student had exceeded the allowable 30 credits by the fall 2008 semester.

b. Financial Aid Awarded for Ineligible Courses 14

Two students in our sample (one of whom is discussed in Audit Result 5.a) enrolled in the Associate of Arts Degree Program with a concentration in Health Careers. These students inappropriately received Pell Grants for an Applied Grammar course, titled LAN 102. The unallowable Pell Grants totaled \$1,350 (\$656 for the student discussed in Audit Result 5.a and \$694 for the other student). RCC allows students enrolled in Associate of Arts and Associate of Science Degrees to take an English Language course—Applied Grammar I (LAN 101) or Applied Grammar II (LAN 102)—but not both, as a Humanities elective requirement. However, because neither of these courses are transferrable to other institutions of higher learning and therefore cannot be applied towards a bachelor's degree, Title IV financial aid may not be awarded.

c. Title IV Financial Aid Awarded for an Elective Business Course 15

One student in our sample enrolled in the Associate of Arts Degree program in the fall of 2007 with a concentration in Social Science received a Pell Grant in fall of 2010 for a non-required business course outside the student's degree requirements and therefore ineligible for financial aid. The amount of the unallowable Pell Grant was \$694. RCC

has designed curriculums for concentrations within each of its Academic programs, with certain required core courses and a choice of elective courses.

d. Advising Trees Could Not Be Produced for Two Students by the Academic Advising Department

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RCC's Advising Department could not produce Advising Trees for two students in our sample of 25 (one student is included in Audit Result 5.b). An Advising Tree is a tool used by the Academic Advising Department for the purpose of organizing students' curriculum plans for their programs of study, assisting them with completing courses as well as advising them of program changes and alternative course offerings. The Advising Department is required to maintain Advising Trees for its students in the advising module of RCC's Jenzabar computer system. RCC utilizes the Jenzabar software program to provide a complete management information system serving its user groups, which include the Financial Aid Office, the Business Office, and the Registrar's Office. Furthermore, RCC does not have written policies and procedures addressing the steps required for the proper maintenance of Advising Trees for students and could not provide us with a satisfactory explanation as to why Advising Trees could not be produced for the students in question.

In its response, RCC stated that Jenzabar, the Student Information Management System, is currently integrated with PowerFAIDS and that training will be provided to enable, detect and deny inappropriate financial aid awards for students taking more than 30 developmental credits. Furthermore, RCC indicated that it will strengthen its policies and procedures regarding Advising Trees and the Internal Control Document would be updated to enhance these practices.

6. NONCOMPLIANCE WITH EARMARKING AND PLACEMENT REQUIREMENTS OF THE FEDERAL WORK STUDY PROGRAM

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RCC was not compliant with the federal requirements of the Work Study Community Service Program regarding earmarking and community service placements. RCC did not use at least seven percent of its Federal Work Study (FWS) allocation to compensate students employed in community service activities. Rather, RCC used only two percent of its FWS allocation, or \$1,771 (\$83,494 x 2.12%) to compensate students working in community service employment. In accordance with federal requirements, RCC should have earmarked \$5,845, or seven percent of the \$83,494 expended, to compensate FWS students. RCC placed one student in community service employment during the 2010-2011 academic year who was employed as a counselor at a summer camp for underprivileged children. However, RCC did not place one or more FWS students in either a Reading Tutoring Project or Family Literacy Project in accordance with the program requirements.

In its response, RCC stated that the Internal Control Policies and Procedures Manual will be revised to include compliance requirements for community service placement and earmarking FWS funds.